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Casey partner's underworld ties reported

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White House unfazed by report

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One of CIA Director William J. Casey's partners in a failed business venture is identified in Justice Department records as an associate of underworld figures infiltrating Gulf Coast waterfront industries.

The partner is Carl Biehl, a co-defendant with Casey in two civil suits now being reviewed by the Senate Intelligence Committee staff.

Biehl has made an agreement with federal authorities to supply information on organized crime activities in New Orleans, Galveston, Texas, and other Gulf Coast cities where his family stevedoring company does business, the News Journal has learned.

Reached by telephone at his vacation home in the Caribbean, Biehl told a reporter, "I don't want to talk to you about anything," and hung up.

A CIA spokesman declined comment Friday on Casey's relationship with Biehl or whether that relationship was turned up in the field check made on Casey when President Reagan nominated him as head of the CIA.

The agreement under which Biehl agreed to inform on the mob was reached after his purported crime connections were turned up in a routine 1973 FBI investigation of Casey when Richard Nixon named him chairman of the Export-Import Bank, according to a source close to the case.

Following the 1973 disclosures, Justice Department sources say, it took federal

authorities in New Orleans several years to get Biehl to cooperate in their probe of organized crime in the shipping business.

The complete FBI file containing the details of Biehl's connections to organized crime was available to the White House before Casey took the helm at CIA last January, according to Justice Department sources.

Casey, who ran President Reagan's 1980 campaign, was one of the first members of the administration to be nominated and confirmed.

The White House on Friday seemed unconcerned about the implications of having a CIA director who is close to a man who may be involved in organized crime.

"I don't see the connection between Biehl's ties and Casey," White House spokesman Peter Roussel said Friday night. "We knew about the lawsuits, but I can't confirm we knew about any connections to organized crime."

Justice Department spokesman Thomas DeCair said he could not comment on the Biehl case.

Spencer Davis, spokesman for the Senate Intelligence Committee, said committee members were unaware when they held hearings on his confirmation that Casey's business associate had shown up in organized crime files.

Justice Department charts link Biehl with underworld figures along the Gulf Coast. His name also shows up in Justice-Department memorandums dealing with organized crime.

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